

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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| In re | : | Chapter 11 Case No. |
| | : | |
| LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>, | : | 08-13555 (JMP) |
| | : | |
| Debtors. | : | (Jointly Administered) |
| | : | |
| | : | |
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**ORDER PURSUANT TO SECTION 365 OF
THE BANKRUPTCY CODE APPROVING THE
ASSUMPTION OR REJECTION OF OPEN TRADE CONFIRMATIONS**

Upon the motion, dated November 14, 2008 (the “Motion”), of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtor, Lehman Commercial Paper Inc. (“LCPI”), as debtors and debtors in possession (together, the “Debtors”), pursuant to section 365(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 6006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 6006-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”) for entry of an order approving the Debtors’ assumption of the Assumed Trades,¹ rejection of the Rejected Trades, and modification and assumption of the Amended Trades, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein

¹ Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Motion.

being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the procedures set forth in the Order Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rules 1015(c) and 9007 Implementing Certain Notice and Case Management Procedures entered on September 22, 2008 [Docket No. 285] to (i) the U.S. Trustee; (ii) the attorneys for the Creditors' Committee; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vii) all parties who have requested notice in these chapter 11 cases; and (vii) all Counterparties, and it appearing that no other or further notice need be provided; and Orders having been entered by the Court on December 16, 2008 [Docket No. 2258], December 23, 2008 [Docket No. 2364], January 16, 2009 [Docket No. 2564], and February 11, 2009 [Docket No. 2817] (the "February 11 Order"), each, *inter alia*, granting the relief requested therein as to certain Counterparties and adjourning the hearing with respect to certain objecting Counterparties; and a hearing (the "Hearing") having been held on March 11, 2009 to consider the relief requested in the Motion with respect to certain Counterparties; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that subject to the terms set forth in those certain letter agreements between LCPI and/or LBHI and each of the Settling Counterparties (as

defined hereinafter) and herein, the Motion is granted with respect to the following Counterparties, all of which have agreed to settle their objections with the Debtors:

AIB International Finance/Tara Hill B.V.
Deutsche Bank AG/Deutsche Bank Trust Company Americas
Lloyds TSB Bank
Avenue Investments, L.P. ("Avenue")²

(collectively, the "Settling Counterparties"); and it is further

ORDERED that the terms of each of the letter agreements between LCPI and/or LBHI and each of the Settling Counterparties relating to the Open Trade Confirmations are hereby approved and binding on each of the parties thereto; and it is further

ORDERED, pursuant to section 365(a) of the Bankruptcy Code, that the Debtors' assumption of the Assumed Trades set forth on Exhibit A annexed hereto is hereby approved; and it is further

ORDERED, pursuant to section 365(a) of the Bankruptcy Code, that the Debtors' rejection of the Rejected Trades set forth on Exhibit B annexed hereto is hereby approved, with such rejection effective as of the date hereof; and it is further

ORDERED, pursuant to section 365(a) of the Bankruptcy Code, that the Debtors are authorized to enter into agreements to modify the Amended Trades set forth on Exhibit C annexed hereto and that assumption of the Amended Trades as modified is hereby approved; and it is further

² The February 11 Order provided that the Debtors and Avenue would agree on a discovery schedule and submit to the Court a proposed pretrial order with respect to litigation of Avenue's objection to the Motion. Subsequent to the entry of the February 11 Order, the Debtors and Avenue have consensually resolved their dispute.

ORDERED that the hearing with respect to the Motion is hereby adjourned to March 25, 2009, at 10:00 a.m. with respect to the objection of R3 Capital Management LLC; and it is further

ORDERED that the Debtors are not required to pay any cure costs to any Counterparty to an Assumed Trade or an Amended Trade; and it is further

ORDERED that the Debtors have demonstrated adequate assurance of future performance of the Assumed Trades and the Amended Trades; and it is further

ORDERED that no Counterparty shall be entitled to assert or take any action to exercise a right to set off any prepetition claim that it might have against either Debtor, including, without limitation, claims for damages arising from the rejection of a Rejected Trade, against any obligation payable to the applicable Debtor under any Assumed Trade or Amended Trade; and it is further

ORDERED that settlement of all Assumed Trades or Amended Trades shall include all appropriate, usual and customary settlement adjustments; and it is further

ORDERED that the Debtors are authorized to execute and deliver all instruments and documents, and take such other actions as may be necessary or appropriate to implement and effectuate the assumption, rejection or modification of Open Trade Confirmations as provided in this Order; and it is further

ORDERED that the Debtors and each of AXA Mezzanine II SA, SICAR and MD Mezzanine SA, SICAR shall agree on a discovery schedule and shall seek to schedule a preliminary hearing in a court of appropriate jurisdiction with respect to litigation of such objection; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and that the requirements of Bankruptcy Rule 6006(a) and Local Rule 6006-1 are satisfied; and it is further

ORDERED that this Court retains jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: March 11, 2009
New York, New York

/s/ James M. Peck
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

ASSUMED TRADES

LCPI & LCPI UK
Assumed

| Entity | Deal Name | Customer | Tranche | B/S | TradeDate | Curr Code | Status |
|--------|--|------------------|---------------|-----|------------|-----------|---------|
| LCPIUK | KABEL DEUTSCHELAND | DEUTSCHE BANK AG | A | S | 7/15/2008 | EUR | Assumed |
| LCPIUK | KABEL DEUTSCHELAND | DEUTSCHE BANK AG | A | S | 7/15/2008 | EUR | Assumed |
| LCPIUK | MEP II S.A.R.L. & CORTEFIEL, S.A.(03/07) | DEUTSCHE BANK AG | B1,B2, and B3 | B | 8/29/2008 | EUR | Assumed |
| LCPIUK | MOLNLYCKE | DEUTSCHE BANK AG | B1 | S | 5/29/2008 | EUR | Assumed |
| LCPIUK | MOLNLYCKE | DEUTSCHE BANK AG | C1 | S | 5/29/2008 | EUR | Assumed |
| LCPI | TECHNICAL OLYMPIC USA (TOUSA) | DEUTSCHE BANK AG | | S | 10/16/2007 | USD | Assumed |
| LCPI | TECHNICAL OLYMPIC USA (TOUSA) | DEUTSCHE BANK AG | | S | 10/18/2007 | USD | Assumed |
| LCPI | US AIRWAYS GROUP 03-07 | DEUTSCHE BANK AG | | S | 8/5/2008 | USD | Assumed |
| LCPI | VISTEON | DEUTSCHE BANK AG | | S | 9/4/2008 | USD | Assumed |

| Entity | Deal Name | Customer | Tranche | B/S | TradeDate | Curr Code | Status |
|--------|-----------------------------------|--|-------------|-----|-----------|-----------|---------|
| LCPIUK | WORLD DIRECTORIES | DEUTSCHE BANK AG | B2 DUTCH | S | 8/13/2008 | EUR | Assumed |
| LCPIUK | YELL GROUP PLC | DEUTSCHE BANK AG | B2 | S | 4/22/2008 | EUR | Assumed |
| LCPI | PENN NAT'L GAMING,INC.10/03/05 | DEUTSCHE BANK TRUST COMPANY AMERICA | | S | 7/10/2008 | USD | Assumed |
| LBHI | QUEBECOR WORLD INC. | DEUTSCHE BANK TRUST COMPANY AMERICA | | B | 1/25/2008 | USD | Assumed |
| LCPIUK | BCM IRELAND HOLDINGS LIMITED | TARA HILL B.V. | A | S | 9/5/2008 | EUR | Assumed |
| LCPIUK | BCM IRELAND HOLDINGS LIMITED | TARA HILL B.V. | B | S | 9/5/2008 | EUR | Assumed |
| LCPIUK | BCM IRELAND HOLDINGS LIMITED | TARA HILL B.V. | C | S | 9/5/2008 | EUR | Assumed |

EXHIBIT B

REJECTED TRADES

LCPI & LCPI UK

Rejected

| Entity | Deal Name | Customer Name | Tranche | B/S | TradeDate | Curr Code | Status |
|--------|---|------------------|---------|-----|-----------|-----------|----------|
| LCPI | GOODYEAR TIRE & RUBBER 2ND LIEN(4-20-07) | DEUTSCHE BANK AG | | B | 9/8/2008 | USD | Rejected |
| LCPI | GOODYEAR TIRE & RUBBER 2ND LIEN(4-20-07) | DEUTSCHE BANK AG | | B | 9/9/2008 | USD | Rejected |
| LCPIUK | MOLNLYCKE | DEUTSCHE BANK AG | B1 | B | 6/25/2008 | EUR | Rejected |
| LCPIUK | MOLNLYCKE | DEUTSCHE BANK AG | C1 | B | 6/25/2008 | EUR | Rejected |
| LCPI | NORTHWEST AIRLINES \$1.050BN | DEUTSCHE BANK AG | | S | 7/21/2008 | USD | Rejected |
| LCPI | TRIBUNE COMPANY 8 BIL (tranche B term loan) | DEUTSCHE BANK AG | | B | 5/15/2008 | USD | Rejected |
| LCPI | VISTEON | DEUTSCHE BANK AG | | B | 9/12/2008 | USD | Rejected |
| LCPI | WIMAR OPCO (TROPICANA ENTERTAINMENT) | DEUTSCHE BANK AG | | B | 9/3/2008 | USD | Rejected |
| LCPI | WIMAR OPCO (TROPICANA ENTERTAINMENT) | DEUTSCHE BANK AG | | B | 6/25/2008 | USD | Rejected |
| LCPI | WIMAR OPCO (TROPICANA ENTERTAINMENT) | DEUTSCHE BANK AG | | B | 8/8/2008 | USD | Rejected |
| LCPIUK | YELLOW BRICK ROAD | DEUTSCHE BANK AG | B1 | B | 7/17/2008 | EUR | Rejected |

| Entity | Deal Name | Customer Name | Tranche | B/S | TradeDate | Curr Code | Status |
|--------|---------------------|--|---------|-----|-----------|-----------|----------|
| LCPIUK | YELLOW BRICK ROAD | DEUTSCHE BANK AG | C1 | B | 7/17/2008 | EUR | Rejected |
| LCPI | STATION CASINOS INC | DEUTSCHE BANK TRUST COMPANY AMERICA | | B | 7/3/2008 | USD | Rejected |
| LCPIUK | MOLNLYCKE | LLOYDS TSB BANK PLC | D | B | 6/17/2008 | EUR | Rejected |

EXHIBIT C

AMENDED TRADES

LCPI & LCPI UK
Assumed with Modification

| Entity | Deal Name | Customer Name | Tranche | B/S | Trade Date | Curr Code | Status |
|--------|--|-------------------------------------|---------|-----|------------|-----------|---------------------------|
| LBHI | QUEBECOR WORLD INC. | Avenue Investments, L.P | | S | 4/22/2008 | USD | Assumed with Modification |
| LBHI | GENERAL MOTORS CORPORATION | DEUTSCHE BANK AG | | B | 1/14/2008 | USD | Assumed with Modification |
| LCPI | GREEKTOWN HOLDINGS, L.L.C. (Term B Loan) | DEUTSCHE BANK AG | | B | 6/2/2008 | USD | Assumed with Modification |
| LCPIUK | MOLNLYCKE | DEUTSCHE BANK AG | D | S | 6/17/2008 | EUR | Assumed with Modification |
| LCPIUK | NTL CABLE PLC | DEUTSCHE BANK AG | B12 | B | 8/7/2008 | GBP | Assumed with Modification |
| LCPI | SWIFT TRANSPORTATION (5/10/07) | DEUTSCHE BANK TRUST COMPANY AMERICA | | B | 7/10/2008 | USD | Assumed with Modification |
| LCPIUK | FERRETTI | LLOYDS TSB BANK PLC | B | S | 4/29/2008 | EUR | Assumed with Modification |
| LCPIUK | FERRETTI | LLOYDS TSB BANK PLC | C | S | 4/29/2008 | EUR | Assumed with Modification |